

Pottawatomie County

Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

5/24/2016

Using the most recent IMPLAN data available (2014) adjusted for 2016, 20 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Pottawatomie County economy.¹

These 20 sectors have a total direct output of approximately **\$231.6 million** and support **1,158.9 jobs** in Pottawatomie County. Running the model for all 20 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Pottawatomie County Economy						
Impact Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵	Output % of Gross Regional Product
Direct Effect	1,158.9	6.81%	\$92,949,444.98	8.65%	\$231,559,880.85	21.55%
Indirect Effect	343.1	2.02%	\$17,050,598.73	1.59%	\$34,644,515.85	3.22%
Induced Effect	272.8	1.60%	\$13,736,234.08	1.28%	\$27,800,780.30	2.59%
Total Effect	1,774.8	10.44%	\$123,736,277.79	11.52%	\$294,005,177.00	27.37%

As shown in the above table, agriculture, food, and food processing sectors support **1,774.8 jobs**, or **10.44%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **\$294 million**, roughly **27.37% of the economy**.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 20 agriculture, food, and food processing sectors is approximately **\$123.7 million**, or **11.52% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **11.52% of the total economy**.

The following tables document the overall summary numbers of the model, top industries affected by employment and output, and a listing of all industries that were analyzed.

1 Article on building a contribution analysis in IMPLAN that avoids double counting:

http://www.implan.com/index.php?option=com_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70

2 Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

3 Value added = labor income + indirect business taxes + other property type income.

4 GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

5 Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **629.9 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Pottawatomie County.

Top Ten Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	629.9	\$76,484,542.68
Support activities for agriculture and forestry	136.6	\$6,515,410.78
Landscape and horticultural services	129.4	\$4,836,789.02
Breakfast cereal manufacturing	88.2	\$67,830,549.68
All other crop farming	64.6	\$5,393,959.71
Grain farming	58.5	\$23,101,904.72
Real estate	54.6	\$4,306,488.41
Veterinary services	49.4	\$3,975,282.42
Animal production, except cattle and poultry and eggs	49.1	\$5,720,792.76
Wholesale trade	44.3	\$8,769,461.65

The beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector directly contributes approximately **\$76.5 million** to the Pottawatomie County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Sectors by Output		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	629.9	\$76,484,542.68
Breakfast cereal manufacturing	88.2	\$67,830,549.68
Grain farming	58.5	\$23,101,904.72
Oilseed farming	17.6	\$21,972,061.92
Poultry and egg production	11.9	\$9,072,317.10
Wholesale trade	44.3	\$8,769,461.65
Support activities for agriculture and forestry	136.6	\$6,515,410.78
Animal production, except cattle and poultry and eggs	49.1	\$5,720,792.76
Wineries	22.9	\$5,631,254.42
All other crop farming	64.6	\$5,393,959.71

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Pottawatomie County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	17.6	\$21,972,061.92
Grain farming	58.5	\$23,101,904.72
Vegetable and melon farming	0.3	\$58,508.46
Fruit farming	1.0	\$97,536.05
Tree nut farming	0.0	\$3,681.45
Greenhouse, nursery, and floriculture production	5.1	\$780,243.96
All other crop farming	64.6	\$5,393,959.71
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	629.9	\$76,484,542.68
Dairy cattle and milk production	1.4	\$531,033.22
Poultry and egg production	11.9	\$9,072,317.10
Animal production, except cattle and poultry and eggs	49.1	\$5,720,792.76
Other animal food manufacturing	1.3	\$1,783,533.33
Breakfast cereal manufacturing	88.2	\$67,830,549.68
Bread and bakery product, except frozen, manufacturing	25.1	\$2,946,185.23
Frozen cakes and other pastries manufacturing	0.9	\$124,949.06
Coffee and tea manufacturing	2.1	\$1,153,202.76
Wineries	22.9	\$5,631,254.42
Sawmills	0.2	\$61,552.91
Veterinary services	49.4	\$3,975,282.42
Landscape and horticultural services	129.4	\$4,836,789.02

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Pottawatomie County, the retail sector was omitted.